

**CHARTER TOWNSHIP OF CLINTON**  
**REGULAR MEETING OF THE BOARD OF TRUSTEES**  
**MONDAY, MARCH 7<sup>TH</sup>, 2016**

<b>PRESENT:</b>	<b>ROBERT J. CANNON</b>	<b>SUPERVISOR</b>
	<b>KIM MELTZER</b>	<b>CLERK</b>
	<b>WILLIAM SOWERBY</b>	<b>TREASURER</b>
	<b>PAUL GIELEGHEM</b>	<b>TRUSTEE</b>
	<b>KENNETH PEARL</b>	<b>TRUSTEE</b>
	<b>DEAN REYNOLDS</b>	<b>TRUSTEE</b>
	<b>JENIFER WEST</b>	<b>TRUSTEE</b>

**ABSENT: NONE**

The Regular Meeting of the Board of Trustees was called to order at 6:30 p.m. in the Township Board Chambers, Clinton Township Civic Center. Also in attendance was Mr. Jack Dolan, Township Attorney. The Pledge of Allegiance was recited.

**APPROVAL OF AGENDA**

Ms. Meltzer requested the following deletion from tonight's agenda:

Item #3 – Conditional Zoning to Permit Eton Capital Single-Family Residential Community (formerly proposed as rezoning from SP-1 & R-3 to RMH): 11 acres of land (3 parcels combined) W/Utica Road, S/Metropolitan Parkway, addressed as 36455, 36505 & 36607 Utica Road (Section 30)

Motion by Mr. Pearl, supported by Ms. West, to approve the agenda with the deletion of Item #3. Roll Call: Ayes – Pearl, West, Reynolds, Gieleghem, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

Mr. Cannon congratulated Ms. Meltzer on being a finalist for Clerk of the Year.

**PUBLIC SERVICE ANNOUNCEMENT**

Ms. Meltzer reminded that the Presidential Primary Election is tomorrow and the polls will be open from 7 a.m. to 8 p.m. She realized it may be a challenge for some people to get to their polling precincts, so she urged anyone wishing to do

so to come in to the Civic Center to cast their vote. She hoped to see a lot of participation in tomorrow's election.

## **1. PUBLIC HEARING ON THE 2016-2017 BUDGET**

Ms. Donna Lauretti, Finance Director, presented the proposed budget. She reviewed the revenues, expenditures and projections for the General Fund, Police Fund, Fire Fund, Capital Improvement Revolving Fund, Sanitation Fund, and Senior Housing Fund.

Ms. Lauretti explained that the financial outlook, which was down due to falling property values over a five-year period, is showing signs of improvement. She outlined some of the savings that were generated by the implementation of Public Act 152, the current and projected increases in taxable values and state-shared revenue, and additional millage in the Police and Fire Funds, which have all helped to improve the financial outlook of the Township. She pointed out that this is reflected in the projections of revenues exceeding expenditures in the General Fund, as well as Fire and Police Funds. She noted, however, that for the requested 3/31/17 budget, the expenditures in the General Fund exceed the revenues by \$33,400. She explained that this is because of the \$1,000,000 transfer to the Capital Improvement Fund for the Civic Center Parking Lot, and this should not really be considered a structural deficit but should be viewed as a use of fund balance. She emphasized that, without that transfer, the operating revenues are still exceeding expenditures by almost \$1,000,000. Ms. Lauretti cautioned, however, that during the past three years there have been additional ongoing costs added back into the budget that were eliminated during the previous years, and if these costs continue to be added over the next two to three years, it may place the general fund back into a structural deficit.

Mr. Sowerby inquired as to the General Fund Expenditures for "Building & Grounds", and whether that included carpeting.

Ms. Lauretti replied to inquiry that carpeting is budgeted at \$125,000, with an additional \$50,000 for moving the furniture. They will be replacing the carpeting in the entire Civic Center building.

Ms. Bednar that this covers carpeting for the entire building except for the carpet in the north end of the building, which was replaced recently.

Mr. Sowerby inquired as to whether this will be on both the first and second floors.

Ms. Bednar replied affirmatively.

In reviewing the Fire Fund projections, Mr. Pearl commented that he thought the Township has always been making the contributions to retiree health care.

Ms. Lauretti confirmed that they have been making their annual required contributions but they have never exceeded the required amount.

During discussion of the Capital Improvement Fund, Ms. Lauretti replied to inquiry that the last payment for the Cass Avenue project is due in November 2018, and the last payment for the Romeo Plank Road project is October 2020.

During discussion of the Senior Housing Fund, Mr. Pearl inquired as to when the bonds will be completely paid.

Ms. Lauretti replied they will be completely paid off in 2018, which will free up some funds.

Mr. Sowerby inquired as to what is being recommended for the Capital Outlay portion of the Senior Housing Fund.

Ms. Lauretti replied they have proposed \$172,000 in capital outlay, which includes \$10,500 for a building compressor for fire suppression in Buildings A & B, \$25,000 to seal and stripe the parking lot, \$11,760 for LED exterior wall lights, \$9,500 for carport lights, \$3,600 for elevator carpet, \$9,000 for furnace doors, \$10,000 for patio doors, \$5,000 for fire panels for Buildings B & C, and an additional \$87,640 for flooring, countertops and appliances.

Mr. Pearl noted that the outside lights will all be LED.

Ms. Mary Hein, Assistant Finance Director, followed up with a presentation on the revenues, expenditures and projections for the Water and Sewer Fund.

The discussion shifted to the proposed use of Fund Balance for prefunding Retiree Health Care.

Mr. Sowerby explained that about twenty years ago, the former Finance Director, Mr. Norm Troppens, saw this as an issue and the Township then started to fund this liability. The State changed the law with regard to allowing communities to invest in that fund, and the Township continued to provide dollars for that liability. Those dollars were placed into the investment fund which now has a specific identity that started about four years ago. He claimed that Clinton Township, in making that decision twenty to twenty-two years ago, took on the role that this was important and so they started funding it, unlike many other communities at that time.

Mr. Dolan cautioned one of the things they want to look at is underfunding the actuarial calculations, because one of the key figures is assumption on return, and that could go up or down.

Ms. Lauretti commented that funding the assets will go up or down, so they will either increase or reduce the unfunded liability.

Mr. Dolan added that the assumptions are important.

Mr. Gielegghem inquired as to whether this was being funded, and then the Township stopped funding it during the last few years when the economy has been so bad.

Ms. Lauretti clarified that the Township never stopped funding it, noting that they have always made their annual required contribution even through the economic crisis. They are told, based on the actuarials, how much to budget, and they put that amount in their budget for the next year. Out of that amount, they pay for current fees for retirees. The amount left over, which is generally very small, remains in the fund. That fund balance also depends upon gains from assets that are already in the system, and that also helps to build this fund up.

Mr. Gielegghem inquired as to how the actuaries arrive at the numbers they use.

Ms. Lauretti explained it is a complicated process but they have assumptions.

Mr. Gielegghem inquired as to why there is an overage each year that remains in the fund.

Ms. Lauretti explained there is a lot that goes into an actuary report and she admitted it is difficult even for her to fully understand. She suggested she could meet with Mr. Gielegghem at some point to further discuss it. She noted that the retiree health care fund is for the entire Township, and it is still open because it is open to new hires in Police and Fire, although new hires in the General Fund have defined contributions rather than defined benefits.

Mr. Gielegghem inquired as to whether the amount they are proposing to prefund is to take the Annual Required Contribution (ARC) and double it.

Ms. Lauretti replied affirmatively. She proceeded with her presentation on the Retiree Health Care Fund.

Ms. Meltzer felt they should be prefunding this, and the fact that they can project a healthy balance in that fund within three to five years is a good reason to act now.

Mr. Gielegthem felt they need to factor in the number of people currently working to the number of people who are retired. When the current employees retire, they draw on that fund.

Ms. Lauretti assured those calculations are included in the actuary report. The actuary report includes all of the Township's retirees, as well as active employees who will potentially become retirees.

Mr. Gielegthem inquired as to whether that number is going up in dramatic fashion.

Ms. Lauretti replied it is going up. She noted that 23.8% of payroll is spent on retiree health care. That number rose from 19.5% to 23.84% in a two-year span, and they anticipate that number will continue to go up.

Mr. Sowerby thanked Ms. Lauretti and Ms. Hein for their presentations. He appreciated the wise funding of the Retiree Health Care Fund. He commented that the longer the system ensues, they have less active employees contributing to the fund. He recalled a time when there were 430 to 440 employees, and they are now down to 333 total employees, including Police and Fire. They have Medicare Advantage, which helps the retirees, but the Township has to sustain the Retiree Health Care Fund. He was glad they made the decision years ago to fund this at a time when a lot of other communities did not do so. Because of being proactive, they are now in a good place, although he added eventually they "have to pay the piper". The Township has the choice to fund it now, or they will be forced to ask for millage dollars in the future to cover the promises made to employees. He explained they have taken other steps to lower their liabilities in the future, such as offering "defined contribution" rather than "defined benefit" for employees hired after a certain date, although he added that their commitment to those employees hired before that date still stands. Mr. Sowerby admitted this is a moving target and it will be a loss of revenue in the future.

Ms. Lauretti reminded that if the Board opts to adopt this proposal, they are only committing for the first two years, and they can revisit it the year after that. She also noted that doing this now could help in the future if they have another downturn in the economy, because the fund balance will be higher.

Mr. Sowerby explained that the investment options for this fund are conservative, and while they may not make high gains, they do not experience severe losses.

Ms. Lauretti explained they would be transferring these funds into the Retiree Health Care Fund. It would initially go in as cash and then their investment managers would decide how to invest those funds.

Ms. Meltzer inquired as to how long that process takes.

Ms. Laretti replied to inquiry that the first year ends on March 31<sup>st</sup>, 2016, so they would need to set aside that \$4 million before the end of this fiscal year. Between May and June they would then make next year's contribution. That money would be put into the Retiree Health Care fund and the Township's money managers would start thinking about a strategy on how they invest those funds.

Mr. Sowerby inquired as to whether those money managers will have plenty of advance notice as to when those dollars will become available.

Ms. Laretti assured they will have plenty of advance notice.

Motion by Mr. Pearl, supported by Mr. Sowerby, to adopt the 2016-2017 Budget as presented this evening; and further, to adopt the "Year Ending 3/31/16 Estimated" column as the "2015-2016 Amended Budget". Discussion ensued.

Mr. Dolan confirmed that this is a separate motion from committing the \$1 million transfer of funds for the Civic Center Parking Lot Improvements or for adopting the proposal for additional retiree health care contributions. He indicated those should each be acted upon in separate motions.

Roll Call: Ayes – Pearl, Sowerby, Reynolds, Gielegghem, Cannon, West, Meltzer.  
Nays – None. Absent – None. Motion carried.

Motion by Ms. West, supported by Mr. Gielegghem, to commit the proposed \$1 million transfer in the 3/31/16 Budget for the Civic Center Parking Lot Improvements, as requested. Roll Call: Ayes – West, Gielegghem, Reynolds, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

Motion by Mr. Reynolds, supported by Mr. Gielegghem, to adopt the proposal for the additional retiree health care contributions for two (2) fiscal years by doubling up the required contribution ending March 31<sup>st</sup>, 2016 and March 31<sup>st</sup>, 2017, as presented. Roll Call: Ayes – Reynolds, Gielegghem, Pearl, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

## **2. 2015 ANNUAL REPORT – CLINTON TOWNSHIP BOARD OF APPEALS**

Motion by Mr. Reynolds, supported by Ms. West, to receive and file the letter and 2015 Annual Report dated February 22, 2016 from the Vice-Chairman of the Clinton Township Board of Appeals. Roll Call: Ayes – Reynolds, West, Gielegghem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

**3. CONDITIONAL ZONING TO PERMIT ETON CAPITAL SINGLE-FAMILY RESIDENTIAL COMMUNITY (FORMERLY PROPOSED AS “REZONING FROM SP-1 & R-3 TO RMH”): 11 ACRES OF LAND (3 PARCELS COMBINED) FRONTING W/UTICA ROAD, S/METROPOLITAN PARKWAY, ADDRESSED AS 36455, 36505 & 36607 UTICA ROAD (SECTION 30)**

This item was deleted from tonight’s agenda.

**4. REQUEST APPROVAL FOR OUTDOOR STORAGE – 15350 HALL ROAD**

Mr. Barry Miller, Superintendent of the Building Department, replied to inquiry that he has no objection to this request, noting they have done a good job in the past. He reminded that they cannot block any fire lanes.

A representative for the petitioner indicated she could not be present tonight, but indicated he had submitted a diagram of the layout.

Motion by Mr. Pearl, supported by Ms. West, to receive and file the letter from Ms. Sakia Murray, Store Manager of Lowes Home Improvement, and approve the request for temporary outdoor storage at Lowe’s, located at 15350 Hall Road, for a period of ninety (90) days starting on April 1<sup>st</sup>, 2016 and expiring on June 30<sup>th</sup>, 2016. Roll Call: Ayes – Pearl, West, Reynolds, Gielegem, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

**5. REQUEST TEMPORARY TENT APPROVAL IN CHIPPEWA VALLEY SHOPPING CENTER HALL ROAD TO HOST THE 5<sup>TH</sup> ANNUAL CINCO DE MAYO PARTY ON THURSDAY, MAY 5<sup>TH</sup>, 2016**

Mr. Miller commented that last year, the petitioner had a register in the tent, but it was removed prior to the start of the event. He also noted that last year there were two handicapped spots blocked during the event, and he had told the owners that would be unacceptable for this year. He stressed the tent will have to be moved further back, and they will have to put up something, possibly water-filled barrels to make sure no one backs into the tent.

Mr. Abdallah assured his main concern is safety, and that is why he had those parking spaces blocked off. He apologized for not being aware of the handicapped parking regulations, and assured he will have those spots available for parking this year. He also assured that he will have no outdoor sales.

Motion by Mr. Pearl, supported by Mr. Gielegem, to receive and file the letter dated February 24<sup>th</sup>, 2016 from Mr. Kevin Abdallah, owner of Juan Miguel’s Authentic Mexican Restaurant & Spirits, 21342 Hall Road, and approve the

request for a temporary tent in the Chippewa Valley Shopping Center to host their 5th Annual Cinco de Mayo party on Thursday, May 5th, 2016, as outlined in the correspondence. Roll Call: Ayes – Pearl, Gielegem, Reynolds, Cannon, West, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

**6. REQUEST TO HOLD PARKING LOT SALE WITH 20' X 40' TENT – HARBOR FREIGHT TOOLS – 34900 GROESBECK**

Motion by Ms. West, supported by Mr. Reynolds, to receive and file the letter dated February 24<sup>th</sup>, 2016 from Mr. Jon Ostrowski, Store Manager, Harbor Freight Tools, and approve the request to hold a parking lot sale with a temporary tent (20-foot by 40-foot) from March 10<sup>th</sup> through 13<sup>th</sup>, 2016, as outlined in the correspondence. Roll Call: Ayes – West, Reynolds, Gielegem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

**7. REQUEST TO APPROVE OUTDOOR DISPLAY WITH 20' BY 60' TENT – 38454 HAYES ROAD**

Mr. Gielegem stated that there are delinquent personal property taxes owed by the petitioner for this property, and it is a violation of the Township ordinance to entertain consideration of any such request on an agenda when taxes are not current. He added they certainly cannot approve it with outstanding taxes owed.

Motion by Mr. Cannon, supported by Ms. West, to receive and file the email dated February 24<sup>th</sup>, 2016 from Ms. Andrea Kanakry, Andrea's FlowerHouse, and postpone further consideration of the request for a temporary tent (20-foot by 60-foot) until such time as the delinquent personal property taxes are paid. Roll Call: Ayes – Cannon, West, Reynolds, Gielegem, Pearl, Sowerby, Meltzer. Nays - None. Absent – None. Motion carried.

**8. REQUEST TO APPROVE VEHICLE EXHAUST SYSTEM UPGRADE**

Motion by Mr. Sowerby, supported by Mr. Reynolds, to receive and file the letter dated February 18<sup>th</sup>, 2016 from the Fire Chief and award the bid for the Fire Department's Vehicle Exhaust System upgrade to Hastings Air-Energy Control, the dealer for their current Plymovent system, out of New Berlin, Wisconsin, at a price of \$40,677.60 for modification and upgrading the Township's five fire stations' exhaust removal systems; further, this is to be billed and completed in the next fiscal year (mid-April 2016), as budgeted in the 2016/17 Vehicle and Equipment Replacement Fund. Roll Call: Ayes – Sowerby, Reynolds, Gielegem, Pearl, Cannon, West, Meltzer. Nays – None. Absent – None. Motion carried.



## **9. UPDATE ON CIVIC CENTER PARKING LOT - PRESENTATION**

Ms. Meltzer noted that there is currently a voter mailbox outside for the convenience of residents who wish to drop off their ballots without having to come inside the building. She explained that they are going to move this mailbox across to the opposite side of the drive so motorists will not have to get out of their cars to deposit their ballots into the box. She had talked with Ms. Bednar about this, and Ms. Bednar had assured her that this was already considered and adjustments have been made to the plans to accommodate this change.

Mr. Chabot explained tonight's presentation is to highlight some of the changes they have made since the last meeting when this was discussed. They moved the walk along the south side of the driveway because of grading concerns, although he assured the 10-foot path along the north side of the driveway will still be part of the scope of work. They are removing the center islands due to maintenance concerns and loss of additional parking space, although he assured they will still have some of the trees in the parking lot. Mr. Chabot indicated the other change is that they will be making the bio swales shallower, which will look better from an aesthetic standpoint, but will serve the same purpose. He explained that there will be a "bump-out" area for emergency vehicles along the main access drive in the front of the building.

Mr. Sowerby noted that there is currently a drop box in the front currently against the building for payments, such as water bill payments, tax payments, etc., but he suggested they could create a more permanent box that could be strong and well-lighted and would allow people to drop off the payments without having to get out of their vehicles.

Ms. Bednar agreed, and noted that they will have to look at both of these boxes in more detail. She pointed out that the drop boxes at the post office have chutes on them. Even if the current boxes are located on the other side of the driveway to allow the drivers to pull up and access them, they may still have to get out of their cars and take a step or two to put an envelope in the box. Ms. Bednar reiterated that they will investigate the options.

Ms. West inquired as to whether the box will be on the "parking lot" side rather than on the "building" side of the drive.

Mr. Chabot replied affirmatively. He displayed some artistic renderings of the proposed parking lot improvements, adding that this project will also include the ditch clean-out and vegetation restoration. He outlined some of the optional items and related cost estimates:

- Canal Road Access Road Repair (\$20,000)

- Sidewalk Connection from the Comfort Station to the Library Walkway (\$15,000)
- Arboretum Path Connection and Romeo Plank Road Crosswalk/Road Signage (\$20,000)
- Romeo Plank Improvements (approximately \$200,000, with Macomb County Department of Roads offering to pay 50%)
- New LED Parking Lot Lighting from DTE Energy (to be determined, with DTE currently putting together an estimate and photometric plan for installing LED lights in the parking lot).

Mr. Chabot explained the original scope of work was estimated at \$1.9 million; however, they are proposing to include the Senior Center Access Road Addition, which will be an additional \$60,000. He reviewed the proposed timeline, indicating that the bidding should be done in mid-March 2016 and the Contract Award should be done in April 2016. He anticipated that the ditch cleanout, forebay construction, the utilities and the site dewatering will take place in May 2016, and the actual parking lot and entrance road construction, including any optional bid items, will be phased between mid-July and early-September.

Ms. Bednar clarified that the construction is anticipated to be in July, but the parking lot itself will not be torn up until after the Annual Fireworks.

Motion by Ms. West, supported by Mr. Gielegem, to receive and file the letter dated March 3<sup>rd</sup>, 2016 from Mr. Scott J. Chabot, PE, Senior Project Manager, Giffels Webster and his presentation concerning the update on the Clinton Township Parking Lot Improvements. Roll Call: Ayes – West, Gielegem, Reynolds, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

### **APPROVAL OF MINUTES OF FEBRUARY 22<sup>ND</sup>, 2016 REGULAR TOWNSHIP BOARD MEETING**

Ms. Meltzer requested the following correction:

Page 1, Paragraph 4, Line 4:

Change from: ..."closed" primary...

Change to: ..."open" primary...

Ms. West recalled that, during the discussion on Page 4, Mr. O'Donnell had indicated the sponsorship for Play Place for Autistic Children was something like \$694 per child.

Mr. Santia confirmed that he believed it was \$594 per child.

Ms. West requested the following change:

Page 4, Paragraph 3, Line 14:

Change the amount from “\$494 per child” to \$594 per child”.

Mr. Sowerby requested the following correction:

Page 13, Last Paragraph, Line 4:

Change from “April 1<sup>st</sup>, 2018” to “April 1<sup>st</sup>, 2016”

Ms. Meltzer indicated that change was already made, as well as some of the other language in that motion.

Motion by Ms. West, supported by Mr. Pearl, to approve the minutes of the February 22<sup>nd</sup>, 2016 Regular Township Board Meeting with the three corrections as noted. Roll Call: Ayes – West, Pearl, Reynolds, Gielegem, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

### **APPROVAL OF BILLS**

Motion by Mr. Reynolds, supported by Ms. West, to approve the bills as presented. Roll Call: Ayes – Reynolds, West, Gielegem, Pearl, Cannon, Sowerby, Meltzer. Nays – None. Absent – None. Motion carried.

### **PUBLIC COMMENTS**

There were no public comments.

### **ADJOURNMENT**

Motion by Mr. Reynolds, supported by Ms. West, to adjourn the meeting. Roll Call: Ayes – Reynolds, West, Gielegem, Pearl, Cannon, Sowerby, Meltzer. Nays - None. Absent – None. Motion carried. The meeting adjourned at 8:37 p.m.

Respectfully submitted,

KIM MELTZER, CLERK  
CHARTER TOWNSHIP OF CLINTON